

**CONFIDENTIAL**  
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Bf 489

7 JUN 1958

MEMORANDUM FOR: Deputy Director (Support)

SUBJECT: Project to Obtain Actuarial Advice  
in Support of Retirement Studies

1. This memorandum contains a recommendation submitted for DD/S approval. Such recommendation is contained in paragraph 5.

2. The CIA Career Council has under study the possibility of a new retirement system which might eventually be implemented through an amendment to the Civil Service Retirement Act or to the Central Intelligence Agency Act. The proposed retirement system will probably take into consideration overseas duty in order to permit those persons who have served overseas to retire at an earlier age than at present and possibly at a more advantageous rate of annuity.

3. The Council believes that the proposed retirement legislation must be ready for presentation to the Bureau of the Budget by November 1958 in order to receive favorable consideration during the 1959 legislative year. The presentation to the Bureau of the Budget, the Special Assistant to the President for Personnel Management, the Civil Service Commission and to appropriate committees of Congress will have to be supported by sound actuarial advice and statistics. While the Civil Service Commission and the United States Treasury have actuaries on their staffs for the purpose of maintaining and reviewing existing retirement systems, they are not available to help us to devise a new approach. Even the Civil Service Commission, when considering major changes in the Civil Service Retirement System, contracts outside the Government for actuarial service.

4. It is necessary for CIA to contract for actuarial services in support of retirement studies. The [redacted] was under contract to CIA in 1953 to prepare the statistical background on the basis of which our present insurance programs are founded. The same actuaries of the Company who have worked for us in the past have current security clearances so that they may consider our problems. Informal discussions conducted by [redacted] with the Executive Vice President of the [redacted] have shown that its services would be available to us. It is estimated that the necessary studies can be conducted for a

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maximum fee of \$10,000. A proposed contract has been drafted by the Office of the General Counsel. The necessary confidential funds are available in the unexpended balance of the FY 1958 budget of the Office of Personnel.

25X1A 5. It is recommended that you approve: (a) the negotiation of a contract with the [REDACTED] to provide actuarial advice to the Office of Personnel in support of retirement studies for the Agency, and (b) the expenditure of confidential funds, not to exceed \$10,000, for this purpose.

/s/ Gordon M. Stewart

Gordon M. Stewart  
Director of Personnel

The recommendation in paragraph 5 is approved.

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[REDACTED]  
Deputy Director (Support)

JUN 30 1958

Date

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Originator: /s/ [REDACTED]

Deputy Director of Personnel  
for Planning and Development

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